

August 18, 2020

A regular meeting of the Scandia City Council was held on the above date with modifications. Due to the health advisory issued by the State regarding the COVID-19 outbreak, to avoid public gatherings and limit social contact, the meeting was conducted over a virtual meeting platform. All council members and staff who joined the meeting remotely could hear each other and contribute to discussions. City Administrator Cammilleri and City Clerk Eklund were present in the Council Chambers. Cammilleri was the presenter and displayed the meeting materials for participants to view on their remote screens.

Mayor Christine Maefsky called the meeting to order at 7:00 p.m. Roll call was taken. The following were participants to the meeting: Council members Jerry Cusick, Steve Kronmiller, Chris Ness, Patti Ray and Mayor Christine Maefsky. Staff participating: City Administrator Ken Cammilleri, City Engineer Ryan Goodman, Fire Chief Mike Hinz, City Attorney Chris Nelson, Public Works Director Adam Hawkinson, and City Clerk Brenda Eklund.

PUBLIC FORUM

There were no public comments.

APPROVAL OF AGENDA

City Administrator Cammilleri announced the addition of a second closed session at the end of the meeting. **Ray, second by Ness, moved to approve the agenda as amended. Motion carried 5-0 by a roll call vote.**

CONSENT AGENDA

The following Consent Agenda was presented:

- a) Minutes
 - 1) July 21, 2020 Regular Meeting
 - 2) August 5, 2020 Work Session
- b) Treasurer's Report
- c) Payment of Vouchers

Ness, second by Cusick, moved to approve the Consent Agenda as presented. Motion carried 5-0 by a roll call vote.

PUBLIC HEARING: LIQUOR LICENSE VIOLATION

On December 30, 2019, Scandia Olde Towne Liquor, 21190 Ozark Avenue North, failed an alcohol compliance check conducted by the Washington County Sheriff's Office, when an employee completed a sale of alcohol to a person under the age of 21. Scandia's Code of Ordinances, Chapter 110, Liquor Regulations, provides that the City Council hold a hearing on a violation of the ordinance or applicable statutes, to consider the violation and the proposed penalty. Owner Adrian Franssen, Mary Franssen and the employee who made the sale were participants to the hearing.

Mayor Maefsky opened the public hearing at 7:09 p.m.

The employee stated that as she is being charged for the misdemeanor and this is her first offense, can the violation be imposed as a first offense with a \$500 penalty that she will pay and a one-day license suspension for the business. Attorney Nelson clarified that the penalty is on the licensee, this being the second offense in a 3-year period and the ordinance states a minimum penalty of 3-days license suspension and a \$1,000 fine.

Mr. Franssen stated that he has been in liquor sales for 60 years, has had 100% compliance in 58 of those years, and that a 3-day closure would be very detrimental to his business. Ms. Franssen added that her husband is dedicated to his Scandia business and is a large donor to community events. She said the business trains their employees on liquor sales and happened to be caught in a sting operation. Ms. Franssen said they are sorry for the occurrences and asked that the Council consider a lesser fine and penalty.

Attorney Nelson advised that Council discretion is limited in this situation as the ordinance defines the minimum penalties. Staff noted that the fine may be paid by installments and the licensee can select a slow time of the year for the suspension dates that are most advantageous for their business.

Ms. Franssen asked that the Council evaluate the penalties of the liquor ordinance. Mayor Maefsky agreed that they would do so to see if the ordinance is doing what it should be. Council member Ness stated that this is an extreme penalty and asked if the ordinance can be changed before imposing the fine and penalty on this business. Staff explained that the ordinance in effect at the time of the violation must be applied, and cannot be amended for this violation.

Council discussed the resolution imposing the penalties and determined that Mr. Franssen communicate the suspension dates to staff no later than August 25, 2020. The resolution was amended with this language.

Kronmiller, second by Ray, moved to adopt Resolution No. 2020-28, Imposing License Suspension and Civil Penalties on Scandia Olde Towne Liquor for Liquor License Violation as amended. Motion carried 4-1, with Ness opposed, by a roll call vote.

Council directed discussion of the liquor ordinance be on a future work session agenda.

PUBLIC HEARING: NEW ON-SALE AND SUNDAY ON-SALE INTOXICATING LIQUOR LICENSE APPLICATION FOR RUSTIC ROOTS WINERY, 20168 ST. CROIX TRAIL NORTH

Greg and Andrea Sandager have applied for an on-sale, Sunday on-sale intoxicating liquor license for their new business Rustic Roots Winery, proposed to open on September 5th. The farm winery is licensed by the state to operate the tasting room, but because they plan to also serve craft beer a local license must be approved.

Mayor Maefsky opened the public hearing at 7:28 p.m. There were no comments and the hearing closed.

Council member Kronmiller asked how many liquor licenses may be issued in Scandia. Staff explained that state statute permits a maximum number of on-sale licenses based on population. Scandia may issue up to seven, with this applicant being the fourth license holder.

Ness, second by Cusick, moved to approve a new On-Sale/Sunday On-Sale Intoxicating Liquor License for Rustic Roots Winery. Motion carried 5-0 by roll call vote.

PARK AND RECREATION COMMITTEE

Park and Recreation Committee Chair Terry Gorham reported that the Committee is looking for Council direction on planning for Vinterfest 2021. The Committee began to discuss either cancelling the event or planning a scaled back version with outdoor events only. Council members Ray and Ness recommended waiting another month or two to evaluate the health pandemic situation; there may be outdoor events that can be planned for January.

PLANNING COMMISSION

A variance at 12050 196th Street was tabled by the Planning Commission at their August 4th meeting. A public hearing on proposed amendments to the Rural Event Facility ordinance will be held at their meeting on September 1st.

SCANDIA INTERNET ACTION COMMITTEE

Internet Action Committee Chair Bob Wilmers reported that the Midco broadband expansion project is 45% completed, with full completion expected by mid-September with 240 households having capability to subscribe to faster internet. Midco is putting together a new DEED grant application for next year's expansion, and working on a federal grant as well.

Council member Ray described the plans for a ribbon cutting ceremony involving the community on September 16th. A noon ceremony at Hay Lake Park, Farmers Market activities, a story contest with Scandia Elementary students and a free community dinner are planned.

TOURISM COMMITTEE

Mayor Maefsky reported that the Tourism Committee met on August 13th and discussed website designs, relocation of the Settlers Monument, and signage. Member Carrie Mitchell resigned and applications are being accepted for new members. Council member Kronmiller added that the EDA will financially support a domain name for Scandia Tourism.

BUILDING OFFICIAL

The July building activity report was received. Last month 24 permits were issued at a valuation of \$207,890.00. Year to date net income for building permits is \$59,308.69.

FIRE DEPARTMENT

Fire Chief Mike Hinz was temporarily absent on a call and returned later in the meeting. Administrator Cammilleri reported on his behalf. The department responded to 20 calls in July; 6 fire related, 10 EMS related, and 4 dive related. Firefighter Adriane Krager is moving out of state and submitted her resignation, staff is working on a new 3-year service agreement with May Township, and the Chief recommends that the City's emergency declaration remain in place as it

allows more flexibility to receive grants and other funding opportunities during the health pandemic.

CITY ENGINEER

City Engineer Goodman encouraged the Council to respond to the County's Bicycle and Pedestrian Plan online survey. Improvements to Square Lake Park are also being proposed by Washington County; Goodman provided the link to input comments for this planning process.

DIRECTOR OF PUBLIC WORKS

PW Director Adam Hawkinson provided the monthly activity report for the public works department. Micro surfacing on 202nd Street is scheduled for next week; the parking lot paving project is complete with good results; and the timers on the Uptown pumps are being recalibrated to adjust run times.

Discussion on Dust Control Policy

PW Director Hawkinson introduced changes he is recommending to the city's dust control policy, such as using only a granular product instead of a liquid and charging the cost of additional treatments to property owners. Discussion will continue at a future work session.

FEMA Funds for Bliss Addition Sewer Improvements

PW Director Hawkinson proposed replacing pump tank lids in the Bliss Addition that are level or low to the ground with raised castings to minimize inflow to the tanks, using FEMA funds granted to the City after last year's flooding. Costs for this work will be calculated for further discussion at a future work session.

Lions Donation for Sidewalk at Hay Lake Shelter

The Scandia-Marine Lions organization has approved funds based on the quote of \$3,800.00 to cover the costs of cement, rebar, forming, and labor to have a 5' ADA sidewalk access installed from the Hay Lake parking lot to the park shelter. Materials and time for the PW portion to prepare the site would be about 2 days with labor and machines and about \$1,200 for the culvert and ditching.

Council member Ray supported the work, saying a sidewalk is very much needed at the Shelter for safety.

Ray, second by Kronmiller, moved to approve the installation of a sidewalk at Hay Lake Park and to accept the Lions Club donation of \$3,800. Motion carried 5-0 with a roll call vote.

CITY ADMINISTRATOR

Administrator Cammilleri reported that the Primary Election held on August 11 went smoothly, the financials are in balance using the assistance of AEM consulting, permit activity is steady, and code enforcement complaints are down in volume. Cammilleri described the County's small business grant program and the homeowners relief grant program.

PROPOSAL FOR ASSESSMENT SERVICES FOR THE CITY OF SCANDIA

A proposal from current City Assessor Patrick Poshek was presented to continue services for assessment years 2022-24 at a fee of \$21,600.00 per year or \$1800.00 per month. The current agreement provides a fee of \$1700/month. Services would commence on May 1, 2021.

Administrator Cammilleri explained that he requested a service agreement to assist with next year's budgeting.

Ness, second by Cusick, moved to accept Mr. Poshek's Proposal for Assessment Services for the City of Scandia for Assessment Years 2022-24. Motion carried 5-0 by a roll call vote.

BUDGET AMENDMENT FOR 602 BIG MARINE SEWER FUND

Administrator Cammilleri explained that expenditures for Bliss Sewer control panels and the sump pump inspection program were budgeted for 2019, but spent in 2020. It is necessary to amend the 2020 budget to match the timing of these expenditures, which was presented in a resolution.

Ness, second by Cusick, moved to adopt Resolution No. 2020-29, Amending the 2020 Big Marine Sewer Fund Budget. Motion carried 5-0 by a roll call vote.

CLOSED SESSIONS

At 8:26 p.m., Mayor Maefsky announced that the City Council would go into closed session pursuant to Minnesota Statutes §13D.05 Subd.3 (b) to discuss pending litigation subject to attorney-client privilege regarding the matter of Curtis J. Peterson and Patricia L. Peterson vs. City of Scandia.

City Administrator Cammilleri announced a second closed session pursuant to Minnesota Statutes §13D.05 Subd.3 (b) to discuss potential litigation from the owner of Redeemed Farm.

The Closed Sessions adjourned at 8:47 pm. with a motion by Ness, second by Ray. The motion carried 5-0 by a roll call vote.

ADJOURNMENT

Ness, second by Cusick, moved to adjourn the meeting. Motion carried 5-0 by roll call vote.

The meeting adjourned at 8:47 p.m.

Respectfully submitted,

Brenda Eklund
City Clerk